

REMARKS

Claims 1 and 35-59 are pending in this application. Claim 1 has been amended. No new matter has been added by way of this amendment.

Claims 1 and 35-59 have been rejected under 35 U.S.C. § 112, first paragraph, as allegedly failing to comply with the written description requirement. *See* Final Rejection at p. 2. Claim 1 has been rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for allegedly failing to particularly point out and distinctly claim the subject matter which application regards as the invention. *See* Final Rejection at p. 2-3. Claims 1 and 35-59 have been rejected under 35 U.S.C. § 103(a) as being allegedly unpatentable over U.S. Patent No. 6,014,645 to Cunningham ("Cunningham") in view of "VISA, MBNA and De La Rue Launch Multi-Function Smart Card Program," De La Rue PLC 7/06/1998 ("De La Rue"). *See* Final Rejection at pp. 3-13. Applicants traverse these rejections as set forth below.

I. Rejections Under 35 U.S.C. § 112, First Paragraph – Written Description Requirement.

Claims 1 and 35-59 were rejected under 35 U.S.C. § 112, first paragraph, as allegedly failing to comply with the written description requirement. *See* Final Rejection at p. 2. Claim 1 recites that "information related to each feature is stored on the multi-value card in a machine-readable format, wherein the machine-readable format consists of a magnetic strip, an embossment, visible printing, RFID or any combination of a magnetic strip, an embossment, visible printing and RFID." The Examiner stated that this limitation "constitutes new matter as it was not originally described in the specification." *See* Final Rejection at p. 2. Applicants respectfully disagree.

To comply with the written description requirement of 35 U.S.C. § 112, first paragraph, each claim limitation must be expressly, implicitly, or inherently supported in the originally filed disclosure. *See* MPEP § 2163. "The fundamental inquiry is whether the specification conveys with reasonable clarity to those skilled in the art that, as of the filing date sought, applicant was in possession of the invention as now claimed." *Vas-Cath, Inc. v. Mahurkar*, 935 F.2d 1555, 1563-64, 19 USPQ2d 1111, 1117 (Fed. Cir. 1991). Here, as mentioned in Applicants' Remarks

filed March 6, 2006, support for this limitation can be found in the Specification as originally filed at least at p. 7, lines 17-22; p. 8, lines 4-6; p. 9, line 17 to p. 10, line 23; p. 11, lines 5-9 and lines 15-22; p. 12, lines 1-9; p.13, lines 4-20; p. 15, lines 21-23; p. 16, line 18-13; p. 18, lines 13-15; p. 20: Fig. 1, elements 15, 20, 25; Fig. 2; Fig. 3A; Fig. 3B. For example, the Specification discloses and references well-known examples of cards such as credit cards, gasoline product cards (oil companies), telephone calling cards, VISA® credit cards, MASTERCARD® credit cards, AMERICAN EXPRESS® credit cards, debit cards, and/or the like. *See* Specification, p. 1, line 13 – p. 3, line 17. In fact, even the Examiner acknowledges that “[t]here is a brief mention of ‘visible printing’ on page 7 of the specification (customer name) and ‘embossing’ on page 10.” *See* Final Rejection at p. 2. The Examiner also admits in the Final Rejection that magnetic stripe cards are “traditional.” *See* Final Rejection at p. 5, citing De La Rue, p. 2. As a result, Applicants respectfully submit that the various features of a magnetic strip, an embossment, visible printing and RFID, or any combination thereof are, at the least, *implicitly* disclosed and fully supported by the Specification.

In making this rejection, the Examiner states in support only that “there is never a discussion wherein the machine readable format *consists of* a magnetic strip, an embossment, visible printing, and RFID as defined by the new limitation.” Final Rejection at p. 2 (emphasis in original). Applicants respectfully submit that this does not satisfy the Examiner’s burden in supporting a written description rejection. Rather, in rejecting a claim for lack of written description, it is the Examiner’s burden to “set forth express findings of fact which support the lack of written description conclusion.” MPEP § 2163.04(I). Further, “these findings should: (A) [i]dentify the claim limitation at issue; and (B) [e]stablish a *prima facie* case by providing reasons why a person skilled in the art at the time the application was filed would not have recognized that the inventor was in possession of the invention as claimed in view of the disclosure of the application as filed.” *Id.* The Examiner has set forth no explanation “why persons skilled in the art would not recognize in the original disclosure a description of the invention, defined by the claims,” as is required in meeting the initial burden of a written description rejection. MPEP § 2163(II)(A)(3)(b). Applicants respectfully submit that persons of

ordinary skill in the art *would* recognize from the disclosure in the Specification of well-known examples of cards such as credit cards, gasoline product cards (oil companies), telephone calling cards, VISA® credit cards, MASTERCARD® credit cards, AMERICAN EXPRESS® credit cards, debit cards, and/or the like that well known card technology is within the scope of the invention as defined in the claims.

There is no *in haec verba* requirement for written description. Here, Applicants respectfully submit that the various disclosures of the Specification provide support for the limitation that the machine-readable format consists of a magnetic strip, an embossment, visible printing, RFID or any combination of a magnetic strip, an embossment, visible printing and RFID. In view of the foregoing, Applicants respectfully submit that claims 1 and 35-59 meet the written description requirement as set forth in 35 U.S.C. § 112, first paragraph, and requests that the rejections therefore be withdrawn.

II. Rejections Under 35 U.S.C. § 112, Second Paragraph – Indefiniteness.

Claim 1 was rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for allegedly failing to particularly point out and distinctly claim the subject matter which application regards as the invention. *See* Final Rejection at p. 2-3. The Examiner rejected claim 1 on the basis that the “secondary feature” in the preamble and in the body of the claim was “contradictory in that in one instance the card is required to have a secondary feature and at the same time the customer has the option of activating the secondary feature, which implies that the customer is not required to do so.” *See* Final Rejection at p. 3. Although Applicants do not agree with the rejection, Applicants have amended the Claim 1 to more clearly recite that the secondary feature of the card is “optional”. In view of the foregoing, Applicants respectfully submit that claim 1 as amended is clear and not indefinite, and that this rejection therefore should be withdrawn.

III. Rejections Under 35 U.S.C. § 103(a) – Obviousness.

Claims 1 and 35-59 have been rejected under 35 U.S.C. § 103(a) as being allegedly unpatentable over U.S. Patent No. 6,014,645 to Cunningham (“Cunningham”) in view of “VISA.

MBNA and De La Rue Launch Multi-Function Smart Card Program.” De La Rue PLC 7/06/1998 (“De La Rue”). See Final Rejection at pp. 3-13.

Claims 1 and 35 recite a method for activating a multi-value card having at least one feature and at least one optional secondary feature and the limitation that “information related to each feature is stored on the multi-value card in a machine-readable format, wherein the machine-readable format consists of a magnetic strip, an embossment, visible printing, RFID or any combination of a magnetic strip, an embossment, visible printing and RFID.” Applicants respectfully submit that neither Cunningham. nor De La Rue. alone or in combination. disclose these limitations of claims 1 and 35 and, therefore, these references do not support a *prima facie* case of obviousness.

De La Rue discloses a program that combines credit, stored value, and loyalty functions on a single smart card, and compares its technology of a card having an embedded microchip to former technology including magnetic stripe cards. See De La Rue at p.1, para. 1. De La Rue does not disclose a multi-value card that has at least one feature and at least one optional secondary feature that is activated as claimed in independent claims 1 and 35, where information related to each feature is stored on the multi-value card in a machine-readable format, wherein the machine-readable format consists of a magnetic strip, an embossment, visible printing, RFID or any combination of a magnetic strip, an embossment, visible printing and RFID. Moreover, Cunningham does not disclose a multi-value card at all. In fact, the Examiner acknowledges that neither Cunningham nor De La Rue disclose that “[i]nformation related to each feature is stored on the multi-value card in a machine-readable format, wherein the machine readable format consists of a magnetic strip, an embossment, visible printing, RFID or any combination of a magnetic strip, an embossment, visible printing and RFID.” See Final Rejection at p. 5. For the foregoing reasons, Applicants respectfully request that the rejections be withdrawn.

Cunningham and De La Rue also *do not provide any motivation* for one to combine these references.

A. Improper Hindsight Reasoning.

Applicants respectfully submit that the Examiner has improperly used “hindsight

reasoning” to support the present obviousness rejection. It is recognized that “[a]ny judgment on obviousness is in a sense necessarily a reconstruction based upon hindsight reasoning, but so long as it takes into account only knowledge which was within the level of ordinary skill at the time the claimed invention was made and does not include knowledge gleaned only from applicant’s disclosure, such a reconstruction is proper.” *In re McLaughlin*, 443 F.2d 1392, 1395, 170 USPQ 209, 212 (CCPA 1971). However, “the Patent Office has the initial duty of supplying the factual basis for its rejection. It may not . . . resort to speculation, unfounded assumptions or hindsight reconstruction to supply deficiencies” in the cited references. *In re Warner*, 379 F.2d 1011, 1017, 154 USPQ 173, 178 (CCPA 1967). “Our case law makes clear that the best defense against the subtle but powerful attraction of a hindsight-based obviousness analysis is rigorous application of the requirement for a showing of the teaching or motivation to combine prior art references. Combining prior art references without evidence of such a suggestion, teaching, or motivation simply takes the inventor’s disclosure as a blueprint for piecing together the prior art to defeat patentability—the essence of hindsight.” *In re Dembiczak*, 175 F.3d 994, 999, 50 USPQ2d 1614, 1617 (Fed. Cir. 1999) (citations omitted).

The Examiner states that Cunningham “would be well served to adapt the system to allow customers to activate the multi-purpose card with multiple functions because many customers would be interested in having this type of card as opposed to many separate cards in an effort to streamline their financial transactions onto one source as opposed to many separate sources.” *See* Final Rejection at p. 5. Furthermore, the Examiner adds that “[t]his is the next step in the evolution of the credit card and if the system did not adapt to these changes, customers would seek out a different system that would better suit their needs.” *See* Final Rejection at p. 5.

Applicants respectfully submit that the Examiner has used improper hindsight reasoning to form the basis of the obviousness rejection. There is no disclosure in Cunningham regarding the desirability of combining Cunningham with De La Rue. *See, e.g.*, MPEP § 2143.01(III) (“The mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination.”, *citing In re Mills*, 916 F.2d 680, 16 USPQ2d 1430 (Fed. Cir. 1990)). In fact, the Specification

recognizes the need for the claimed invention where it clearly states that "a need still exists for a cost-effective method which provides a customer the convenience of using one card which can be easily activated to perform different functions, establish different relationships with different industries (e.g., a phone card, a gas card, a catalog purchasing card, or a dining card) and offer rebate incentives." See Specification, p. 3, lines 13-17. As a result, the Examiner's alleged motivation in Cunningham is not based on the teachings of the reference, but rather on improper hindsight reasoning, gleaned from Applicants' Specification.

B. De La Rue Teaches Away From the Claimed Invention.

In addition, nothing in De La Rue teaches or suggests that one of ordinary skill in the art at the time the invention was made would have used a card consisting of a magnetic strip, an embossment, visible printing, RFID or any combination of a magnetic strip, an embossment, visible printing and RFID to perform the methods claimed in claims 1 and 35. In fact, De La Rue *teaches away* from the such use in its disclosure. "A reference may be said to teach away when a person of ordinary skill, upon reading the reference, would be discouraged from following the path set out in the reference, or would be led in a direction divergent from the path that was taken by the applicant. The degree of teaching away will of course depend on the particular facts; in general, a reference will teach away if it suggests that the line of development flowing from the reference's disclosure is unlikely to be productive of the result sought by the applicant." *In re Gurley*, 27 F.3d 551, 553, 31 USPQ2d 1130, 1131 (Fed. Cir. 1994).

Here, De La Rue teaches a "smart card." De La Rue expressly notes that placement of "the functions of several traditional bankcards onto a single microchip" are accomplished by the "emerging technology" of the integrated circuit chip, which increases the "value of and demand for smart cards" due to these "value-added services" over traditional magnetic-stripe cards. See De La Rue at p. 1-2. De La Rue discloses that it is the integrated circuit chip card that "increase[s] the value of and demand for smart cards" over "traditional magnetic-stripe bankcards." *Id.*

The Examiner further states that the claimed invention is rendered obvious by "simple design choice." See Final Rejection at p. 5. The Examiner states that the reason is because

"magnetic stripe cards are more familiar to most merchants...[and] would be more comfortable with this format initially, at least until smart chip card is widely implemented." See Final Rejection at p. 5. However, this is an inappropriate statement of motivation in the present situation. Nowhere in De La Rue is any such teaching or suggestion found in the reference itself. Moreover, De La Rue discloses a card that combines "different payment methods onto a single card platform...*by using the power of the integrated circuit chip* to provide more flexible rewards programs, which afford greater benefit to cardholders, affinity groups, merchants, and card issuers." See De La Rue at p. 1, last paragraph (emphasis added). In other words, the benefits of De La Rue's multi-function card are achieved "by using the power" of smart card technology and not from a magnetic stripe or similar traditional technologies. Therefore, De La Rue not only *fails to disclose any motivation* to render obvious a multi-value card that "consists of a magnetic strip, an embossment, visible printing, RFID or any combination of a magnetic strip, an embossment, visible printing and RFID," but also *teaches away* from the claimed invention because smart card technology, and not a traditional method, such as magnetic stripes, provides the multi-function benefits to cardholders and merchants in De La Rue's disclosure.

Applicants further submit that De La Rue does *not* teach microchip technology as a "preferred alternative" to traditional "magnetic stripe" bankcards. See Final Rejection at p. 14. Rather, De La Rue makes clear that the multi-functions of the disclosed card were *enabled* by the development of microchip technology, as previously discussed. Applicants respectfully submit that there is no teaching in De La Rue of a magnetic-stripe bankcard having the multi-functions of its smart card as an alternative embodiment.

C. Cunningham and De La Rue in Combination Do Not Disclose Each and Every Limitation of Claims 1 and 35.

Further, Cunningham and De La Rue do not support a *prima facie* case of obviousness because they do not disclose, even in combination, each and every limitation of claims 1 and 35. Specifically, neither of these references disclose the limitations of "determining the customer's election to add a secondary credit card feature; and identifying the customer's request to activate any additional use features" (claim 1) or "offering to the customer a subsequent activation of the multi-value card to add at least a second feature" (claim 35). The Examiner merely states, with

no citation, that this limitation of claim 1 is disclosed by these references; there is no statement at all that this limitation of claim 35 is disclosed in these references. *See* Final Rejection at p. 4. Applicants respectfully submit that these limitations of claims 1 and 35 are *not* disclosed in either Cunningham or De La Rue, and that therefore these references do not support a *prima facie* case of obviousness for failing to disclose each and every limitation of claims 1 or 35.

Since De La Rue and Cunningham do not disclose each and every limitation of claims 1 and 35, and specifically do not disclose that “information related to each feature is stored on the multi-value card in a machine-readable format, wherein the machine-readable format consists of a magnetic strip, an embossment, visible printing, RFID or any combination of a magnetic strip, an embossment, visible printing and RFID.” “determining the customer’s election to add a secondary credit card feature; and identifying the customer’s request to activate any additional use features” (claim 1) or “offering to the customer a subsequent activation of the multi-value card to add at least a second feature” (claim 35). Applicants respectfully submit that these references do not form a *prima facie* case of obviousness and that these rejections should be withdrawn.

Further, since claims 36-59 are dependent from claim 35, the rejections under 35 U.S.C. § 103(a) over Cunningham and De La Rue should be withdrawn over these additional claims for the same reasons.

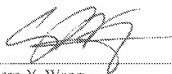
CONCLUSION

Applicants respectfully request that this amendment be entered and all pending claims 1 and 35-59 be allowed. This response has been filed within three (3) months of the mailing date of the Final Rejection and it is believed that no fees are due. If any fees are determined to be due, the Commissioner is hereby authorized to charge or credit that variance to the undersigned's Deposit Account No. 50-0206.

Respectfully submitted,

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